

**DEPARTMENT OF ALCOHOL AND DRUG PROGRAMS**

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**ADP BULLETIN**

Title <b>DRUG MEDI-CAL CONTINGENCY RESERVE</b>		Issue Date: 2-4-00 Expiration Date: Until Notified	Issue No.  00-03
Deputy Director Approval  Michael Borunda for  Gloria Merk II Program Operations Division	Function [ ]Information Management [ ]Quality Assurance [ ]Service Delivery [X]Fiscal [ ]Administration	Supersedes Bulletin/ADP Letter No.  Not applicable	

**PURPOSE**

To inform county administrators when and how to access the \$5 million Drug Medi-Cal (DMC) State General Fund (SGF) Contingency Reserve.

**DISCUSSION**

Counties may access the Contingency Reserve if all allocated regular SGF DMC dollars or Perinatal SGF DMC dollars have been or will be expended and there is a further need for DMC services during the current fiscal year.

Counties are to submit an amended Negotiated Net Amount/DMC contract budget demonstrating the current level of services.

**REFERENCES**

ADP Bulletin 99-28, August 18, 1999; Fiscal Year (FY) 1999-00 Budget Act Allocation.

**HISTORY**

During the development of the FY 1999-00 budget, the State Legislature established separate SGF appropriations for the DMC program and Perinatal DMC program. Chapter 147, Statutes of 1999, ended the policy of using non-DMC resources to fund the DMC program by establishing separate appropriations for the State and counties to administer the appropriation of DMC funds and SGF.

As a result of the split appropriation, the policy on accessing the Contingency Reserve for DMC services has been revised. Counties may access the Contingency Reserve when all of their allocated SGF DMC or Perinatal SGF DMC funds are exhausted and additional SGF is needed to meet the DMC need. Counties are no longer required to transfer discretionary funds to DMC prior to accessing the Contingency Reserve.

QUESTIONS/MAINTENANCE

Questions concerning the Contingency Reserve may be directed to Marjorie Saavedra, Program and Fiscal Policy Branch, at (916) 327-4178 or to the Contracts Management Branch, County Analyst assigned to your county (see attached list).

EXHIBITS

[Contracts Management Branch County Analyst Assignments.](#)

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